



25th May, 2016

To,
The Listing Department
The Stock Exchange, Mumbai,
P. J. Towers,
Fort, Mumbai – 400 001.

Sub: Financial Results under Regulation 33(3)(a to c)(a to f) of SEBI Listing Regulations, 2015.

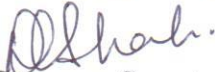
Dear Sir,

We are submitting the Standalone /Consolidated Financial Results under **Regulation 33(3)(a to c)(a to f) of SEBI Listing Regulations, 2015** for year ended on 31st March, 2016 to the BSE (Bombay Stock Exchange).

Kindly acknowledge the receipt of the same.

Thanking You.

Yours faithfully,
For Mukesh Babu Financial Services Ltd.,
CIN No : L65920MH1985PLC035504.


Company Secretary
(Dipali Shah)
(Mem No : 25422)
Encls: As above.



MUKESH BABU FINANCIAL SERVICES LIMITED

CIN:L65920MH1985PLC035504

Regd. Off.: 111, Maker Chambers III, 223, Nariman Point, Mumbai -400021.

AUDITED FINANCIAL RESULTS FOR QUARTER ENDED AND YEAR ENDED 31.03.2016

(Rupees In Lacs)

SR. NO.	PARTICULARS	STANDALONE					CONSOLIDATED	
		QUARTER ENDED			YEAR ENDED		YEAR ENDED	
		31/03/2016	31/12/2015	31/03/2015	31/03/2016	31/03/2015	31/03/2016	31/03/2015
	Audited	Unaudited	Audited	Audited	Audited	Audited	Audited	
1	Income from Operations	(60.12)	348.41	139.56	601.56	639.48	565.86	579.36
2	Expenses :-							
	a. Employees Benefit Expenses	5.89	6.69	5.38	24.26	21.87	63.78	59.77
	b. Donations	-	-	27.61	-	29.57	-	32.57
	c. Depreciation	1.76	1.75	2.18	7.01	8.55	11.74	9.66
	c. Other Expenses	13.23	13.60	9.72	49.06	27.95	97.72	64.15
3	Profit from Operations Before Other Income & Finance cost (1-2)	(81.00)	326.37	94.67	521.23	551.54	392.62	413.21
4	Other Income	3.46	0.80	3.85	8.72	6.21	348.36	247.55
5	Profit before Fiance Cost & Exceptional items (3+4)	(77.54)	327.17	98.52	529.95	557.75	740.98	660.76
6	Finance Cost	43.03	44.66	79.23	190.91	205.34	218.09	213.79
7	Profit from Ordinary activities before Exceptional Items (5-6)	(120.57)	282.51	19.29	339.04	352.41	522.89	446.97
8	Exceptional Items	-	-	-	-	-	-	-
9	Profit from Ordinary Activities before Tax (7+8)	(120.57)	282.51	19.29	339.04	352.41	522.89	446.97
10	Taxation (Including Deferred Tax)	(39.18)	84.48	9.42	68.22	81.16	91.43	90.88
11	Net Profit from Ordinary Activities after Tax (9-10)	(81.39)	198.03	9.87	270.82	271.25	431.46	356.09
12	Extraordinary Items (Net of Tax)	-	-	-	-	-	-	-
13	Net Profit for the period (11-12)	(81.39)	198.03	9.87	270.82	271.25	431.46	356.09
14	Share of Profit / (loss) of Associates	-	-	-	-	-	-	-
15	Minority Interest	-	-	-	-	-	77.71	41.05
16	Net Profit after taxes, Minority interest, and shafe of Profit/loss of Associates	(81.39)	198.03	9.87	270.82	271.25	353.75	315.04
17	Paid up Equity share Capital (F.V.Rs. 10)				696.75	696.75	696.75	696.75
18	Reserves Excluding Revaluation Reserve				4,062.37	3,875.12	4,933.00	4,662.82
19	Earning Per Share basic/ diluted	(1.17)	2.84	0.14	3.89	3.89	6.19	5.11
20	Public Shareholding :							
	Numbers of Shares	2,589,300	2,589,300	2,589,300	2,589,300	2,589,300	2,589,300	2,589,300
	Percentage of shareholding	37.14	37.14	37.14	37.14	37.14	37.14	37.14
21	Promoters and promoter group shareholding							
	a) Pledged/ encumbered	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	b) Non-encumbered							
	i) Number of Shares	4,381,600	4,381,600	4,381,600	4,381,600	4,381,600	4,381,600	4,381,600
	ii)% to total share holding of promoters	100.00	100.00	100.00	100.00	100.00	100.00	100.00
	iii)% to total Share Capital	62.86	62.86	62.86	62.86	62.86	62.86	62.86

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For Mukesh Babu Financial Services Limited

Director



MUKESH BABU FINANCIAL SERVICES LIMITED

Regd. Off.: 111, Maker Chambers III, 223, Nariman Point, Mumbai -400021.
AUDITED FINANCIAL RESULTS FOR QUARTER ENDED AND YEAR ENDED 31.03.2016

Page2

STATEMENT OF ASSETS AND LIABILITIES					
SR. NO.	PARTICULARS	STANDALONE		CONSOLIDATED	
		31/03/2016	31/03/2015	31/03/2016	31/03/2015
		AUDITED	AUDITED	AUDITED	AUDITED
1	SHARE HOLDERS FUND				
	Share Capital	696.75	696.75	696.75	696.75
	Reserves & Surplus	4,062.37	3,875.12	4,933.00	4,662.82
	Total Share Holders Fund	4,759.12	4,571.87	5,629.75	5,359.57
2	MINORITY INTEREST			1,057.88	980.16
3	NON CURRENT LIABILITIES				
	Deferred Tax Liabilities	8.82	9.48	8.02	9.21
	Long Term Provisions	3.73	4.07	3.73	4.07
	Total Non Current Liabilities	12.55	13.55	11.75	13.28
4	CURRENT LIABILITIES				
	Short Term Borrowings	1,477.93	1,548.47	1,999.37	2,055.31
	Trade Payable	262.51	177.26	265.65	180.40
	Other Current Liabilities	26.29	21.78	1,526.29	1,521.78
	Short Term Provisions	152.36	129.17	173.04	116.15
	Total Current Liabilities	1,919.09	1,876.68	3,964.35	3,873.64
		6,690.76	6,462.10	10,663.73	10,226.65
	TOTAL EQUITY & LIABILITIES				
5	NON CURRENT ASSETS				
	Fixed Assets	72.38	79.15	242.53	227.03
	Non-Current Investment	3,298.10	3,298.10	3,617.32	3,611.85
	Long Term Loans and Advances	444.54	520.55	444.54	520.54
	Other Non- Current Assets	9.98	9.98	243.39	243.38
	Total Non Current Assets	3,825.00	3,907.78	4,547.78	4,602.80
6	CURRENT ASSETS				
	Inventories	1,306.00	1,103.11	1,306.00	1,103.11
	Trade Receivable	-	-	87.63	84.20
	Cash and Bank Balances	223.60	141.15	1,231.37	1,153.97
	Short Term Loans and Advances	1,048.65	1,106.99	3,203.44	3,079.50
	Other Current Assets	287.51	203.07	287.51	203.07
	Total Current Assets	2,865.76	2,554.32	6,115.95	5,623.85
	TOTAL ASSETS	6,690.76	6,462.10	10,663.73	10,226.65

Notes:

- Segment reporting as defined in Accounting Standard - 17 is not applicable to the company.
- Above results have been reviewed by the Audit Committee and were approved by the Board of Directors on 25th May 2016
- Deferred Tax Assets or Liabilities are accounted in accordance with Accounting Standard - 22.
- The Board of Directors has recommended a dividend of Rs.1/- (10%) per equity Share of Rs.10/- each for the financial year ended 31st March 2016, subject to the approval of shareholders in the ensuing Annual General Meeting.
- The figures of the quarter ended 31st March 2016 and 31st March 2015 are the balanceing figures between the audited figures in respect of full financial years and the published (unaudited) up to the third quarter of relevant financial year.
- The figure for the previous periods have been re-grouped, wherever necessary.

For Mukesh Babu Financial Services Limited

Director

Place : Mumbai
Date : 25/05/2016



25th May, 2016

To,
The Listing Department
The Stock Exchange, Mumbai,
P. J. Towers,
Fort, Mumbai – 400 001.

Sub: Disclosures under Regulation 30 and Schedule III(4) of SEBI Listing Regulations, 2015.

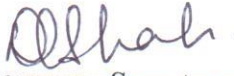
Dear Sir,

We are submitting the Disclosures under **Regulation 30 and Schedule III(4) of SEBI Listing Regulations, 2015** of Quarterly results along with Audit Report (with Form A) and Dividend recommendation for the period as on 31st March, 2016 to the BSE (Bombay Stock Exchange).

Kindly acknowledge the receipt of the same.

Thanking You.

Yours faithfully,
For Mukesh Babu Financial Services Ltd.,
CIN No : L65920MH1985PLC035504.


Company Secretary
(Dipali Shah)
(Mem No : 25422)
Encls: As above.



25th May, 2016

To,
Bombay Stock Exchange Limited,
P.J. Towers,
Dalal Street,
Mumbai – 400 001.

Dear Sir,

SUB: Dividend recommendation.

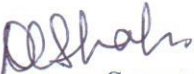
At the Board Meeting held today at the Registered Office of our Company, the Board of Directors, while approving the audited accounts of the Company for the year 2015-16, have recommended a dividend of 10% on the Equity Shares of the Company subject to approval of the Shareholders at the Annual General Meeting of the Company to be held on. This decision may kindly be taken on record.

Kindly acknowledge due receipt of this communication.

Thanking you.

Yours faithfully,

For Mukesh Babu Financial Services Ltd.,
CIN No : L65920MH1985PLC035504.


Company Secretary
(Dipali Shah)
(Mem No : 25422)
Encls: As above.



SHAH, SHAH & SHAH (Regd.)

Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To

The Members,

MUKESH BABU FINANCIAL SERVICES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of MUKESH BABU FINANCIAL SERVICES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2016, and the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on financial statements.

Opinion

In our opinion, and to the best of our information, and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:



(i) in case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016.

(ii) in case of statement of Profit and Loss , of the Profit of the Company for the year ended on that date.

(iii) in case of cash flow statement, of cash flow of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.

2. As required by Section 143 (3) of the Act, we report that:

(a) we have sought and obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit;

(b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

(c) the Balance Sheet and Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

(d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) on the basis of written representations received from the Directors, as on the date of balance sheet, and taken on record by the board of directors, we report that none of the directors is disqualified as on the said date from being appointed as a director in terms of Section 164 (2) of the Act.

(f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. We have been informed by the Company that the pending litigations against the Company would not impact its financial position.

ii. In our view, the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**FOR SHAH, SHAH & SHAH
CHARTERED ACCOUNTANTS**

Mehul Shah
Partner
FRN: 116457W
M. No.: 049361



Place : Mumbai
Date : 25/05/2016

ANNEXURE "A:" REFERRED TO IN REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS
OF OUR REPORT OF EVEN DATE

IN CASE OF MUKESH BABU FINANCIAL SERVICES LIMITED

(i) (a) The Company is maintaining proper records showing full particulars of, including quantitative details and situation, of fixed assets.

(b) The management at reasonable intervals has verified the fixed assets. We have been informed that, no material discrepancies on such verification have been noticed.

(c) As per records presented before us, the title deeds of immovable properties are held in name of the Company.

(ii) As per the records maintained, the management has conducted physical verification of inventory at reasonable intervals. We have been informed that, no material discrepancies on such verification have been noticed.

(iii) The Company has granted unsecured loan to a company (subsidiary) covered in the register maintained under section 189 of the Companies Act, 2013.

(a) As explained to us, the terms and conditions of the grant of such loans are not prejudicial to the Company's interest;

(b) The schedule of repayment of principal and payment of interest has not been stipulated;

(c) Since there is no schedule prescribed, determining the amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest is not possible; although we find that the subsidiary has been repaying the amount periodically.

(iv) As per records maintained and explanation given to us, in respect of loans, investments, guarantees, and security given / made by the Company, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

(v) The Company has not accepted any deposits from public within the meaning of the provisions of section 73 or any other provisions of the Companies Act, 2013 and the rules made there under. We have been informed by the management that there has been no order passed by the Company law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company with respect to compliance of the provisions of section 73 or any other provisions of the Companies Act 2013.

(vi) We have been informed by the management that, the Central Government has not prescribed the method of maintenance of cost records under section 148 (1) of the Companies Act, 2013 to the industry to which the Company pertains.

(vii) (a) We have been informed by the management that, the Company is generally regular in depositing all undisputed statutory dues with the appropriate authorities and there have been no material arrears of outstanding dues as at the last day of this financial year for more than six months from the date they became payable .

(b) In our opinion, and according to the information and explanation given to us, there are no dues of Income tax, Sales tax, Wealth Tax, and Service tax, Custom Duty, Excise Duty or Cess, or Value Added Tax as applicable to it which have not been deposited on account of any dispute.



(viii) As informed to us by the management, the Company has not defaulted in repayment of any dues to financial institution or banks; whereas there are no debenture holders.

(ix) We have been informed by the management that no money was raised by way of Initial Public offer or Further Public offer(including Debt instrument), and in case of term Loans the amount was applied for the purpose for which they are taken.

(x) As informed by the management, there has not been noticed or reported any fraud on or by the Company during the year.

(xi) We have been informed by the management that managerial remuneration has been paid or provided in accordance with the requisite approval mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) Since the Company is not a Nidhi Company, the provisions of this clause are not applicable to the Company

(xiii) In our view, and as per the explanation given to us by the management, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 wherever applicable, and details have been disclosed in the Financial statements as required by the applicable accounting standard.

(xiv) we have been informed by the management that Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

(xv) As per the explanation given to us by the management, and as per records maintained, the Company has not entered into any non-cash transactions with directors or any persons connected with him as prescribed by section 192 of the Companies Act 2013.

(xvi) In our view, the Company has carried out any activities in nature of activities carried out by non banking financial companies, and thus is required to get registered under section 45-IA of the Reserve Bank of India Act, 1934, and has obtained the required registration.

**AS PER OUR REPORT OF EVEN DATE
FOR SHAH, SHAH & SHAH
CHARTERED ACCOUNTANTS**

Scd/-
Mehul Shah
Partner
FRN: 116457W
M. No.: 049361
Place : Mumbai
Date : 25/05/2016





**INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS OF
MUKESH BABU FINANCIAL SERVICES LIMITED AND ITS SUBSIDIARY**

To
The Board of Directors,
Mukesh Babu Financial Services Limited

- 1 We have audited the accompanying consolidated financial statements of **Mukesh Babu Financial Services Limited** ("the Company") and its subsidiaries, (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the consolidated Balance Sheet as at **March 31, 2016**, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

Management's Responsibility for the Consolidated Financial Statements

2

The Holding Company's Board of Directors is responsible for the preparation of the consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014. The Board of Directors of the Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

- 3 Our responsibility is to express an opinion on the consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph (a) of the Other Matters below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company, as at 31 March 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

- (i) in the case of the Consolidated Balance Sheet, of the state of affairs of the Company and its subsidiary as at 31st March, 2016; and
(ii) in the case of the consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date



(iii) in the case of consolidated cash flow statement, of the cash flows of the Group for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.

2. As required by Section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books

(c) The consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated cash flow statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2016 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31 March 2016 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

(g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. We have been informed by the Company that the pending litigations against the Company would not impact its financial position.

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivatives contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and subsidiary companies incorporated in India.

Other Matters

(a) The accompanying consolidated financial statements include total assets of RS. 4,554.43 Lac as at March 31, 2016, and total revenues of RS. 339.64 Lac and net cash outflows of RS. 0.80 Lac for the year ended on that date, in respect of one subsidiary which have been audited by other auditors, whose financial statements, other financial information and auditors' reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of such other auditors.

FOR SHAH, SHAH & SHAH
CHARTERED ACCOUNTANTS

(Mehul Shah)
M. No. 049361
FRN: 116457W
Place : Mumbai
Date : 25/05/2016



ANNEXURE "A:" REFERRED TO IN REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS OF OUR
REPORT OF EVEN DATE
Mukesh Babu Financial Services Limited

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act,
2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting of Mukesh Babu Financial Services Limited ("the Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**FOR SHAH, SHAH & SHAH
CHARTERED ACCOUNTANTS**

Self



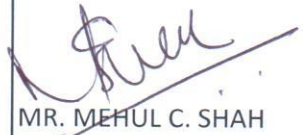

(Mehul Shah)
PARTNER
M. No. 049361
FRN: 116457W



Place : Mumbai
Date : 25/05/2016

FORM A

Format of covering letter of annual audit report to be filed with stock exchanges

1	Name of Company	Mukesh Babu Financial Services Limited
2	Annual Financial Statement for the Financial Year Ended	March 31, 2016
3	Type of Audit Observation	UNQUALIFIED
4	Frequency of Observation	N.A.
5	To be Signed by :	
	1. Chairman & Managing Director	MUKESH BABU 
	2. Chief Financial Officer	K. CHANDRASEKHAR 
	3. Auditor of the Company	 MR. MEHUL C. SHAH (Membership No. 49361)
	4. Audit Committee Chairman	MR. PANKAJ MAJITHIA 
	Place : Mumbai	
	Date : 25/05/2016	